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## GENERAL

1. US position on Atlantic Pact membership--In commenting on views recently expressed by Belgian Premier Spaak concerning an Atlantic Pact, the Department of State has pointed out to US Embassy Brussels that: (a) the US is not interested in entering a North Atlantic Pact with the western European union powers alone; and (b) the US attaches great importance to a mutually satisfactory provision for the original membership of other Atlantic countries, particularly Italy. The Department estimates that at least three months will be required between the conclusion of exploratory talks by the western European union powers in London and the submission of a possible Atlantic Pact to the US Senate.

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2. Reported Soviet pressure for East-West railway break--US Embassy Prague has learned from a "reliable source" in  
[redacted] that the USSR is bringing pressure on the Satellites to withdraw from existing international railway traffic agreements and participate in the establishment of a "strictly eastern European railway transport system." According to source, the Czechoslovak Government anticipates that such a development would have a "catastrophic" effect on its foreign trade because it would necessitate the re-loading of all East-West shipments at the Czechoslovak border. Source considers it doubtful that the Government will argue the matter with the USSR even though Czechoslovak technicians are determined to resist the change; the Czechoslovak Foreign Office reportedly expects Poland to accede reluctantly.

(CIA Comment: CIA considers that this development primarily reflects a deep-seated Soviet dislike of all international agreements encompassing eastern and western participants. The primary Soviet objective is probably to extend and tighten its control over Satellite transport by coordinating rail lines in the USSR and Satellite areas under agreements which exclude the western powers, even though such an arrangement would certainly create serious restrictions in East-West trade.)

Document No. 046

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104-10000, 4 Apr 77  
Auth: DDA:INS. 77/1763

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3. British reaction to US speech on Palestine--US Embassy, London reports that there has been "a very unfavorable" reaction by the UK Foreign Office to US Delegate Jessup's 20 November speech on Palestine before the General Assembly. According to the Embassy, the aspects of the speech that particularly disturbed the Foreign Office were: (a) the abandonment of the principle that the General Assembly lay down a final settlement and subsequently call for acquiescence by the parties; and (b) the position that the partition plan boundaries can be changed only with Israeli consent.

#### NEAR EAST-AFRICA

4. IRAN: Government seen threatened by grain shortages--US Ambassador Wiley reports that Prime Minister Saed, faced with serious grain shortages which have already caused bread riots in the provinces, has urgently requested US assistance in obtaining additional wheat. Wiley considers that the US should do everything in its power to meet Saed's request inasmuch as the Saed Cabinet's position is already precarious and its successor would probably be less friendly to the US.

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